

**STATE BOARD OF ACCOUNTS  
302 West Washington Street  
Room E418  
INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF  
HAMILTON TOWNSHIP  
DELAWARE COUNTY, INDIANA  
January 1, 2003 to December 31, 2005



**FILED**  
10/20/2006

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OFFICIALS

Office

Official

Term

Trustee

Ralph Flowers

01-01-03 to 12-31-06

Chairman of the  
Township Board

Larry Scott  
David Heinkel

01-01-03 to 12-31-04  
01-01-05 to 12-31-06



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF HAMILTON TOWNSHIP, DELAWARE COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Hamilton Township (Township), for the period of January 1, 2003 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 21, 2006

HAMILTON TOWNSHIP, DELAWARE COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FUND TYPES  
As Of And For The Years Ended December 31, 2003, 2004, And 2005

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 25,356	\$ 21,657	\$ 26,901	\$ 20,112
Dog	555	549	310	794
Township Assistance	17,555	8,285	11,472	14,368
Firefighting	71,711	49,443	85,000	36,154
Cumulative Fire	43,548	68,828	84,999	27,377
Totals	<u>\$ 158,725</u>	<u>\$ 148,762</u>	<u>\$ 208,682</u>	<u>\$ 98,805</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 20,112	\$ 18,840	\$ 25,978	\$ 12,974
Dog	794	350	356	788
Township Assistance	14,368	9,539	14,123	9,784
Firefighting	36,154	50,195	60,150	26,199
Rainy Day	-	2,562	-	2,562
Cumulative Fire	27,377	71,085	95,000	3,462
Totals	<u>\$ 98,805</u>	<u>\$ 152,571</u>	<u>\$ 195,607</u>	<u>\$ 55,769</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 12,974	\$ 21,351	\$ 26,094	\$ 8,231
Dog	788	376	364	800
Township Assistance	9,784	6,048	8,283	7,549
Firefighting	26,199	61,761	62,023	25,937
Rainy Day	2,562	-	2,106	456
Levy Excess	-	5,348	4,829	519
Cumulative Fire	3,462	71,089	62,865	11,686
Fire Debt	-	300,000	300,000	-
Totals	<u>\$ 55,769</u>	<u>\$ 465,973</u>	<u>\$ 466,564</u>	<u>\$ 55,178</u>

The accompanying notes are an integral part of the schedules.

HAMILTON TOWNSHIP, DELAWARE COUNTY  
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Long-Term Debt

The Township has entered into debt such as a loan for a fire truck. The outstanding principal at December 31, 2005, was \$300,000.

## HAMILTON TOWNSHIP, DELAWARE COUNTY EXAMINATION RESULTS AND COMMENTS

### DISBURSEMENT DOCUMENTATION

Payments were observed which did not contain adequate supporting documentation such as receipts and invoices.

Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

### PAYROLL DEDUCTIONS

Payments to Board members were made without payroll deductions for taxes; however, withholdings may be required.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HAMILTON TOWNSHIP, DELAWARE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 21, 2006, with Ralph Flowers, Trustee.